

Federal Reserve System

§ 209.1

Section 11. Simplified Supervisory Formula Approach

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(b) *SSFA parameters.* * * *

(2) Parameter W is expressed as a decimal value between zero and one. Parameter W is the ratio of the sum of the dollar amounts of any underlying exposures of the securitization that meet any of the criteria as set forth in paragraphs (i) through (vi) of this paragraph (b)(2) to the balance, measured in dollars, of underlying exposures:

- (i) Ninety days or more past due;
- (ii) Subject to a bankruptcy or insolvency proceeding;
- (iii) In the process of foreclosure;
- (iv) Held as real estate owned;
- (v) Has contractually deferred payments for 90 days or more, other than principal or interest payments deferred on:
 - (A) Federally-guaranteed student loans, in accordance with the terms of those guarantee programs; or
 - (B) Consumer loans, including non-federally-guaranteed student loans, provided that such payments are deferred pursuant to provisions included in the contract at the time funds are disbursed that provide for period(s) of deferral that are not initiated based on changes in the creditworthiness of the borrower; or
- (vi) Is in default.

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Section 12. Market Risk Disclosures

(a) *Scope.* A bank must comply with this section unless it is a consolidated subsidiary of a bank holding company or a depository institution that is subject to these requirements or of a non-U.S. banking organization that is subject to comparable public disclosure requirements in its home jurisdiction. A bank must make timely disclosures publicly each calendar quarter. If a significant change occurs, such that the most recent reporting amounts are no longer reflective of the bank's capital adequacy and risk profile, then a brief discussion of this change and its likely impact must be provided as soon as practicable thereafter. Qualitative disclosures that typically do not change each quarter may be disclosed annually, provided any significant changes are disclosed in the interim. If a bank believes that disclosure of specific commercial or financial information would prejudice seriously its position by making public certain information that is either proprietary or confidential in nature, the bank is not required to disclose these specific items, but must disclose more general information about the subject matter of the requirement, together with the fact that, and the reason why, the specific items of in-

formation have not been disclosed. The bank's management may provide all of the disclosures required by this section in one place on the bank's public Web site or may provide the disclosures in more than one public financial report or other regulatory reports, provided that the bank publicly provides a summary table specifically indicating the location(s) of all such disclosures.

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(c) * * * (1) For each material portfolio of covered positions, the bank must provide timely public disclosures of the following information at least quarterly:

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(d) * * * For each material portfolio of covered positions, the bank must provide timely public disclosures of the following information at least annually after the end of the fourth calendar quarter, or more frequently in the event of material changes for each portfolio:

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APPENDIX F TO PART 208 RESERVED

PART 209—ISSUE AND CANCELLATION OF FEDERAL RESERVE BANK CAPITAL STOCK (REGULATION I)

Sec.

- 209.1 Authority, purpose, and scope.
- 209.2 Banks desiring to become member banks.
- 209.3 Cancellation of Reserve Bank stock.
- 209.4 Amounts and payments.
- 209.5 The share register.

AUTHORITY: 12 U.S.C. 222, 248, 282, 286–288, 321, 323, 327–328, 333, 466.

SOURCE: 63 FR 37663, July 13, 1998, unless otherwise noted.

§ 209.1 Authority, purpose, and scope.

(a) *Authority.* This part is issued pursuant to 12 U.S.C. 222, 248, 282, 286–288, 321, 323, 327–328, and 466.

(b) *Purpose.* The purpose of this part is to implement the provisions of the Federal Reserve Act relating to the issuance and cancellation of Federal Reserve Bank stock upon becoming or ceasing to be a member bank, or upon changes in the capital and surplus of a member bank, of the Federal Reserve System.